

## Message Text

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ORIGIN AF-08

INFO OCT-01 ISO-00 EB-07 SS-15 NSC-05 SP-02 CIAE-00 INR-07

NSAE-00 SSO-00 NSCE-00 INRE-00 /045 R

DRAFTED BY AF/S:WFEATON:SCS

APPROVED BY AF/S:DKEOGH

EB: MR. SWART

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O R 311957Z AUG 76

FM SECSTATE WASHDC

TO AMEMBASSY PRETORIA IMMEDIATE

INFO AMCONSUL CAPE TOWN

AMCONSUL DURBAN

AMCONSUL JOHANNESBURG

CONFIDENTIAL STATE 215846

E.O. 11652: N/A

TAGS: PINS, ECON, SF

SUBJECT: FUTURE PROSPECTS FOR SOUTH AFRICA

1. EXIMBANK BOARD OF DIRECTORS IS DISPLAYING CONSIDERABLE CONCERN OVER THE EFFECTS OF CURRENT SOUTH AFRICAN UNREST ON LONGER TERM POLITICAL AND ECONOMIC OUTLOOK FOR SOUTH AFRICA. EXIMBANK HAS BECOME VERY CAUTIOUS IN ITS CONSIDERATION OF APPLICATIONS FOR GUARANTEES ON LARGE LOANS OF MORE THAN FIVE YEARS. AT AUGUST 26 MEETING EXIMBANK BOARD OF DIRECTORS DECIDED TO POSTPONE ACTION ON TWO PRELIMINARY COMMITMENT APPLICATIONS FOR GUARANTEES ON 11 3/4 YEAR LOANS FILED BY GENERAL ELECTRIC AND WESTINGHOUSE WHO ARE BIDDING ON A LARGE CONTRACT TO BE AWARDED IN FEB. 1977 TO SUPPLY FOUR ELECTRICAL GENERATORS FOR THE DRAKENSBERG HYDROELECTRIC PROJECT.

2. WE BELIEVE THAT HIGHLY CAUTIOUS ATTITUDE OF EXIMBANK ON LONG TERM GUARANTEES TO SOUTH AFRICA COULD INFLUENCE CONFIDENTIAL

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BANKS TO RESTRICT LOANS TO SOUTH AFRICA AND GENERATE

COMPLAINTS FROM U.S. BUSINESS FIRMS AND SAG. WE BELIEVE  
THAT IT IS HIGHLY DESIRABLE TO PROVIDE EXIMBANK WITH  
CURRENT USG VIEWS ON FUTURE PROSPECTS OF SOUTH AFRICA.

ACTION REQUESTED: THAT EMBASSY PROVIDE DEPARTMENT WITH  
A BRIEF ASSESSMENT OF THE PROSPECTS FOR STABILITY IN  
SOUTH AFRICA WHICH WOULD BE USEFUL IN BRIEFING EXIM-  
BANK BOARD OF DIRECTORS. ROBINSON

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NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC ESTIMATES, POLITICAL SITUATION  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 31 AUG 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976STATE215846  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** WFEATON:SCS  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D760330-0966  
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**Original Handling Restrictions:** n/a  
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**Previous Channel Indicators:** n/a  
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**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GolinoFR  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 02 JUL 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <02 JUL 2004 by GarlanWA>; APPROVED <06 JUL 2004 by GolinoFR>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** FUTURE PROSPECTS FOR SOUTH AFRICA  
**TAGS:** PINS, ECON, SF, XMB  
**To:** PRETORIA  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006